DOCUMENT RESUME

ED 426 637 HE 031 719

AUTHOR	Clott, Christopher; Fjortoft, Nancy
TITLE	Culture and Strategy in Business Schools: Links to Organizational Effectiveness.
PUB DATE	1998-04-00
NOTE	22p.; Paper presented at the Annual Meeting of the American Educational Research Association (San Diego, CA, April 13-17, 1998).
PUB TYPE	Reports - Research (143) -- Speeches/Meeting Papers (150)
EDRS PRICE	MF01/PC01 Plus Postage.
DESCRIPTORS	*Academic Deans; *Business Administration Education; *College Administration; Colleges; Foreign Countries; Higher Education; Horizontal Organization; *Organizational Climate; *Organizational Effectiveness; Power Structure; *School Culture; Universities; Vertical Organization
IDENTIFIERS	Canada; United States

ABSTRACT

This study examined the independent and conditional effects of organizational culture type and managerial strategy on the organizational effectiveness of higher education schools of business. A total of 333 deans and chairs of business schools in the United States and Canada completed a survey instrument that addressed variables related to organizational culture, strategic orientation, and seven dimensions of organizational effectiveness. Clan and market cultures characterized approximately half of the institutions surveyed, with hierarchical institutions comprising the remainder. It was found that clan cultures were found to be more effective on three of the effectiveness dimensions (system openness and community interaction, student educational satisfaction, and faculty employment satisfaction) than market or hierarchy cultures. Active management strategies were found to be more effective than passive management strategies on six of the seven dimensions (organizational health, ability to acquire resources, system openness and community interaction, student educational satisfaction, student career development, and faculty employment satisfaction), regardless of type. Overall, it was found that clan cultures were more effective on dimensions that focused on the individual and on the perceived "openness" of the institution. (Contains 41 references.) (MDM)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED 426 637

Culture and Strategy in Business Schools: Links to Organizational Effectiveness

Christopher Clott Ph.D.
Associate Professor
College of Business and Economics
Elmhurst College
630-617-3116
FAX 630-617-6497
E-mail: chriscl@elmhurst.edu

Nancy Fjortoft
Assistant Dean and Associate Professor of Pharmacy Practice
Chicago College of Pharmacy
Midwestern University
630-971-6417
FAX 630-971-6097
E-mail: nfjort@midwestern.edu

BEST COPY AVAILABLE

HE 031 719

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
☑ This document has been reproduced as received from the person or organization originating it.
☐ Minor changes have been made to improve reproduction quality.
• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

PERMISSION TO REPRODUCE AND DISSEMINATE THIS MATERIAL HAS BEEN GRANTED BY

Christopher Clott

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

Abstract

The purpose of this study is to examine the independent and conditional effects of organizational culture type and managerial strategy on the organizational effectiveness of higher education schools of business. While significant differences are found for both culture type and managerial strategy on the effectiveness measures there were no significant interactive effects between the two independent variables. The implications of these findings for efforts to enhance the effectiveness of professional and pre-professional collegiate programs are discussed.

Culture and Strategy in Business Schools: Links to Organizational Effectiveness

In the last two decades major structural changes in the larger world environment have required substantial effort on the part of all organizations to survive, remain viable, and demonstrate their strategic effectiveness in the face of increasing uncertainty and public scrutiny. Vast external environmental changes in technology, demographics and economic structures have been juxtaposed with the increasingly tenuous nature of available resources necessary for successful professional education (Axinn & Thach, 1996). The overall effectiveness of one professional program versus another is heatedly debated in published rankings, graduate salaries and job offers, with attendant disputes over academic accreditation. Part of the problem with measuring the effectiveness of professional programs is their dual role as academic and professional institutions serving two different constituencies, one academic and the other in practice. Service to the academic discipline (e.g., rigor in theory and scholarship) competes with service to practice (e.g., applied problems and operations) (Cheit, 1985). As new societal demands are place upon professional programs, it becomes imperative that systematic analysis is extended not simply to the larger higher education institution in which the professional program resides but to the professional program itself.

Establishing measurements of effectiveness for professional programs in general is of little use as a "diagnosis" for determining effectiveness in individual institutions without an understanding of why the school exists in such a state. Two central concepts thought to be necessary to an understanding of organizational effectiveness are a) that Management must make

BEST COPY AVAILABLE

strategic choices that are fundamental in the determination of organization design and serve to define the organization's relationship with the broader environment (Child, 1972) and b) that organizational actions are guided and determined by the internal organizational culture that relates to the specific behaviors regarding decision making and acceptance (Katz and Kahn, 1978). This paper examines the relationship of organizational culture and managerial strategy to each other and to organizational effectiveness.

Outcome Variables:

Organizational Effectiveness: Researchers have developed a number of multidimensional measures of effectiveness to describe the process by which decision makers determine the overall performance of the organization to its external and internal environments (Cameron, 1978; Peters & Waterman, 1982; Quinn & Rohrbaugh, 1983). Virtually all studies and theories about organizations are in some way based on the construct of effectiveness despite the confusion surrounding its meaning. Cameron's (1978) construct of organizational effectiveness is a theoretical framework that incorporates the use of multiple perspectives that can be recorded in relationship to one another and is the perspective used in this study.

Organizational Culture: Organizational culture has been found to be a central concept in previous research studies seeking to understand and improve organizational development (Denison and Spreitzer, 1991, Ouchi 1981; Deal and Kennedy 1982; Peters and Waterman 1982; Schein 1985, 1990). Pettigrew (1979) defines organizational culture as the "amalgam of beliefs, ideology, language, ritual and myth" (1979:571)

influencing internal organizational constituencies. Without an understanding and comprehension of the effects of organizational culture a true measure of organizational performance is not possible (Wilkins & Ouchi 1983). Schein (1985) suggests that culture contributes to external adaptation of the organization through providing a consensus about mission, strategy and goals and to internal integration issues through consensus of language, conceptual categories and group boundaries, influence and power. In essence, culture shapes action by defining what people want (Parsons, 1951; Swidler, 1986).

Many definitions of culture have been offered to explain its meaning in organizations. Cameron and Ettington (1989) found at least 17 definitions to suggest the variety and lack of consensus on meaning. Research by Ouchi (1980, 1981, 1983) suggested three types of organizational cultures grounded in transaction cost theory 1) Clans- Socialization of all organizational members to a common goal with a close interchange between work and social life. 2) Markets- Measuring contributions of organizational members to the common good with compensation based upon contribution and competitive bidding for services and 3) Hierarchies- Contractual specifications of rights and duties to organizational members but with a lack of a clear sense of the value of their services. Ouchi argued that Market cultures succeed when numerous buyers and sellers succeed in maximizing their value through specific short term contractual relationships e.g., performance of a specific project usually in a given period of time. Market cultures fail under complex and large transactions and where the determination of value contributed by an individual worker is ambiguous in the making of the final product. Hierarchies

(bureaucracies) work well when long-term relationships, division of specialized labor and monitoring of employees is necessary to provide skills and expertise for complex outcomes. Hierarchies fail to the extent that a hierarchical system of "surveillance, evaluation and direction" fails to provide reasonable performance information to employees creating mistrust between employee and employer and when tasks become highly unique and therefore impossible to evaluate in any meaningful way. Clan cultures succeed where there is a high degree of internal cohesion and goal congruence among organizational members as well as a high degree of discipline and overlap of individual and organizational interests. Clan cultures fail when subjected to the scrutiny of contractual relationships where individual performance is specifically negotiated (Ouchi, 1980; 1981).

Researchers have also suggested that strong, externally oriented cultures are more effective than weak, internally oriented cultures (Cameron, 1987; Arnold and Capella, 1985). Cameron and Ettington (1988), Zammuto and Krakower (1991), and others have suggested for example, the existence of "strong" cultural types permeated by assumptions of achievement, growth, and resource acquisition that facilitate rather than impede strategy. An alignment between the beliefs and values central to the organization and actual strategies is the central distinguishing feature of strong cultures (Dennison, 1990).

Managerial Strategy: The concept of "strategy" is broad and overarching, encompassing numerous older and newer conceptualizations including strategic planning (Chandler, 1962), strategic choice (Child, 1972), strategic management (Ansoff and

Hayes, 1976), and strategic norms (Hatten, 1979). In a review of various concepts of strategy, Chaffee (1986) suggested the existence of three distinct models in the literature. Linear strategy, the oldest concept, involves setting long term goals through the use of planning and forecasting. Resources are then allocated to achieve organizational goals, which are primarily profit and productivity. Adaptive strategy is concerned with developing a viable match between risks and opportunities in the dynamic external environment consisting of events, trends, competitors and organizational stakeholders. Adaptive strategy is more complex than linear strategy and considers more variables. It is by far the most heavily researched. The third model suggested by Chaffee is interpretive strategy, the newest concept. Interpretive strategy suggests individuals with free will enter into the organization. The organizations continued existence lies in its legitimacy and ability to attract and keep individuals through symbols, interactions and relationships. Each model provides a means of distinguishing certain aspects of organizational functioning in which the concept of strategy has been applied. Chaffee (1986) has also suggested that a broad view of all research dealing with an aspect of strategy should be taken rather than attempting to select a narrow definitional segment that may exclude relevant research with slightly different definitions.

One typology of strategy measures implied in previous research on organizations is the existence of active and passive types of strategy (Mile & Snow, 1978; Snow & Hrebiniak, 1980; Cameron, 1986; Clott, 1994). Typically, passive organizations are reactive in nature while active

organizations are constantly stimulating organizational change. An active strategy seeks to energetically manipulate the environment and construct it to suit the needs of the organization. Overall, active strategies have been more important in mitigating the negative effects of the turbulent environments now found in colleges and universities (Cameron & Tschirhart, 1992). Cameron's (1986) study of administrators in colleges and universities suggests that when faced with a depletion of resources there is a tendency for organizations to be become conservative and internally oriented, overly focused on cost containment, and reactive. The passive organization has been hypothesized by Snow and Hrebiniak (1980) to be successful only for short periods of time within stable, protected and relatively benign environments and "...generally not viable in competitive industries" (p.333). A further description of the passive strategy type suggests that it narrowly focuses on safeguarding the organizational niche at all costs (Hambrick, 1983). The linkage between managerial strategy and organizational effectiveness has also been noted in studies by Cameron & Zammuto (1983), Miles & Cameron (1982) and Doty, Glick and Huber (1993) as most strongly associated with improving effectiveness over time. The strategic emphases and choices of managers are considered by researchers to be critical factors in assessments of organizational effectiveness.

Culture and Strategy: The relationship between organizational culture and strategy has been addressed extensively in the literature (Ouchi, 1981; Deal and Kennedy, 1982; Tichy, 1983, Dennison, 1991). There has been little research in the organizational literature though, as to the exact causality of the relationship between the two variables. Much research is grounded for

example, in the assumption that cultural values and patterns of behavior can limit and constrain the implementation of managerial strategy. This has been addressed by Tichy (1983) and Zammuto and Krakower (1991) as the need to align the culture to strategic shifts in organizations. Davis and Schwarz (1981) suggested that a corporation's culture filters top management perspectives limiting the strategic options they are prepared to consider seriously. They further argue that defining the cultural values of a company culture can remove old constraints on past strategic decision making.

While the weight of the evidence appears to suggest that culture precedes strategy, the implication in general organizational theory that culture exists merely as a limiting factor to strategy does not take into account the existence of varying types of cultures. Research generally has been inconsistent and difficult to interpret in this area due to varied and often confusing empirical studies of culture and strategic types. Therefore, this study examines the independent and conditional effects of organizational culture and managerial strategy on the organizational effectiveness of a sample of business schools.

Procedures: The subjects chosen for study were the academic deans of schools of business and accredited schools of accountancy in the United States and Canada. Their titles included dean, director, or chairperson. These subjects were chosen because they are presumed to be the primary individuals involved with the external and internal environment of the organization are considered to represent the key individuals to determine managerial strategy as it impacts on the institution. A survey sample of 806

BEST COPY AVAILABLE

deans of graduate and undergraduate schools of business and accountancy comprising the entire population of American Assembly of Collegiate Schools of Business (AACSB) member institutions for the United States and Canada was selected for the study. Three hundred thirty completed surveys were returned for a 41 percent response rate. There was one response per school. Approximately 64 % of the respondents were from public institutions and 36% from private. Respondents were from small 30.5% (50-1000 students enrolled in undergraduate/graduate business programs), medium 38% (1001-2500 students) and large 31.5% (over 2500 students) institutions. Demographic data on the respondent sample characteristics suggest a diversity of age, experience and work activity.

Variables: Scales reflecting organizational culture, strategic orientation and seven dimensions of organizational effectiveness were developed from items on the survey based on previous research in effectiveness by Cameron (1986), Zammuto & Krakower (1991), and Cameron & Tschirhart (1992). Culture type was derived from Likert items assessing institutional character, leadership style, institutional cohesion and institutional emphases. These items are based on the written descriptions of cultural scenarios developed from Jung's (1923) psychological archetypes and Quinn's (1988) competing values model. The items describe the core values and orientation of the institution. The three culture types and coefficient alphas for their respective scales were: clans (.72), market (.68), and hierarchy (.67). Clan cultures emphasize shared values and goals,

participativeness and a sense of family. Market cultures emphasize competitiveness, goal accomplishment and production. Market cultures focus on the consumer. Hierarchy cultures emphasize rules and regulations, have clear lines of authority, and are efficient and directive.

Strategic orientation was assessed by Likert items that measured institutional behaviors and characteristics. These items were derived from research by Miles & Snow (1978). The two strategic types and their respective scales were active (.79) and passive (.70). An active strategy can be characterized as innovative and risk taking. A passive strategy can be described as insular, reactive, and risk averse.

The seven dimensions of organizational effectiveness are based on the Cameron (1978) effectiveness construct that examines perceived effectiveness of various domains of colleges and universities. The domains used in this study are student educational satisfaction (SES) (.71), ability to acquire resources (RES) (.72), system openness and community interaction (OPE) (.70), student career development (SCD) (.61), faculty employment satisfaction (FES) (.62), professional development and quality of faculty (PDF) (.81), and organizational health (OH) (.76). The variables, their definitions and coefficient alphas are listed in Table 1.

Analysis: A 3x2 multivariate analysis of variance (MANOVA) design was used to analyze the data. The two independent variables were culture type (clan, market,

hierarchy) and management strategy (active or passive). The dependent variables were the seven dimensions of organizational effectiveness.

Results: Multivariate tests were significant for both main effects (culture: Wilk's lambda =. 84, $F = 2.83$, $p < .001$, and management strategy: Wilk's lambda = .85, $F = 5.14$, $p < .001$). However, there were no significant interactive effects between the two independent variables. Significant differences were established between each of the two independent variables and the dependent variables. Clan cultures were found to be more effective on three of the effectiveness dimensions than market or hierarchy cultures (System Openness and Community Interaction, Student Educational Satisfaction, Faculty Employment Satisfaction). Active management strategies were found to be more effective than passive management strategies on six of the seven dimensions (Organizational Health, Ability to Acquire Resources, System Openness and Community Interaction, Student Educational Satisfaction, Student Career Development, Faculty Employment Satisfaction), regardless of type.

Conclusion: These findings provide evidence for differentiation of the three types of internal organizational culture as hypothesized by Ouchi (1980). Clan and market cultures comprise approximately half of the institutions surveyed with hierarchical institutions comprising the remainder. Clan cultures were found to be more effective, as expected, on the dimensions that focus on the individual (Student Educational Satisfaction and Faculty Employment Satisfaction) and on the perceived "openness" of

BEST COPY AVAILABLE

the school of business (system openness and community interaction). Clan cultures can be described as having a sense of family, with a common goal. However, no statistically significant differences were found between the three culture types on the other four dimensions of effectiveness, suggesting that for business schools, the effectiveness dimensions that are more externally focused are not effected by the culture type of the organization (Professional development and quality of faculty, Organizational health, Ability to acquire resources, and Student career development). We suggest several possible explanations for this lack of effect. First, the lack of effect of culture type on the externally focused effectiveness domains may be a result of the external environment. Today's environment for higher education is particularly tumultuous. The Public is demanding more accountability, economic stresses upon institutions are increasing, and changing student demographics are effecting the environment in a number of unpredictable ways. These factors may be suppressing the impact of culture type on the externally focused effectiveness domains (Shein, 1996) Secondly, while the data suggested the primary culture type, it did not indicate the "strength" of the culture. Previous research has suggested that an alignment between the beliefs and values central to the organization and actual strategies is the central distinguishing feature of strong cultures (Dennison, 1990) There may be subordinate cultures operating at the department level that flourish within the larger institutional culture, but do not necessarily align with the primary culture's beliefs and values (Wilkins & Ouchi, 1983). Subordinate cultures

may negate the effect of the primary culture. Finally, the lack of effect of culture type on the externally focused domains may be due to the fact that organizational members of business schools have unique values and orientation due to the nature of the disciplines (Cheit, 1985; Hugstad, 1983). Members of professional schools are aligned to their academic department and discipline and often to their professional practice (Clark, 1989). Professional schools expect their faculty to keep current with the profession through active practice. There may be a tension between the "academic world" and the "applied world" that weakens the overall culture of the organization. Applied environments are focused on short-term results, rapid decisions, teamwork, and practical application of theory and knowledge. Academic environments on the other hand, are typically slow and deliberate in their decision making, focus on the long-term, and stress the abstract. While professional school faculty attempt to intentionally bridge the gap between academics and practice, that tension may diminish the overall effectiveness of the organization.

The study essentially corroborates previous research suggesting that managerial strategy is a strong indicator of organizational effectiveness (Child, 1972; Cameron, 1983). The active management strategy was found to be more effective on six of the seven dimensions of effectiveness regardless of culture type. The results suggest that management strategy works independently of culture type, and that regardless of culture type, leaders should strive to be active in their strategies rather than passive.

The study is limited by its reliance on one respondent per school. A richer picture of the institution would have been developed had there been several responses from each school. This would have also allowed us to gauge the strength of the primary culture type. However, the study begins to build an understanding of the uniqueness of professional schools and the dilemmas they face that may be different from higher education in general. As more and more students enter into higher education specifically to gain a professional expertise and gainful employment, understanding the special characteristics of professional schools is essential in measuring organizational effectiveness.

References

Ansoff, H.I. & Hayes, R.L.: Introduction. In: From Strategic Planning to Strategic Management, eds. H.I.Ansoff, R.P. Declerck, and R.L. Hayes, New York, Wiley, 1976

Ansoff, Arnold, D.R. & Capella, L.M.: Corporate culture and the marketing concept: a diagnostic instrument for utilities. Public Utilities Fortnightly. 116:8,32-38, 1985.

Axinn, C.N. & Thach, S.V.: Reflections on graduate education in the 21st century. Mid-American Journal of Business, 11:5-9, 1996.

Cameron K.S.: Measuring orga izational effectiveness in institutions of higher education. Administrative Science Quarterly, 23:604-632, 1978.

Cameron K.S.: A study of organizational effectiveness and its predictors. Management Science, 32:87-111, 1986.

Cameron, K.S. & Ettington, D.R.: Conceptual foundations of organizational culture. In: Higher Education: Handbook of Theory and Research, Vol. 4, ed. J.C. Smart, pp.356-396. New York: Agathon Press, 1988.

Cameron, K.S.: Measuring organizational effectiveness in institutions of higher education. Administrative Science Quarterly, 23:604-632, 1987.

Cameron, K.S.: Strategic responses to conditions of decline: Higher education and the private sector. Journal of Higher Education, 54: 359-380, 1983.

Cameron, K.S., Tischirnart, M. Postindustrial environments and organizational effectiveness in colleges and universities. Journal of Higher Education, 63: 87-108, 1992.

Cameron, K.S., Zammuto, R.: Matching managerial strategies to conditions of decline. Human Resource Management. 22:359-375, 1983

Chaffee, E.E.: The concept of strategy: From business to higher education. In: Higher Education: Handbook of Theory and Research, Vol.1 ed. J.C. Smart, pp.133-172, New York, Agathon Press, 1986.

Chandler, A.D.: Strategy and Structure. Cambridge, Ma. MIT Press, 1962.

Cheit, E.F.: Business schools and their critics. California Management Review 27:3, 43-62, 1985

BEST COPY AVAILABLE

Child, J.: Organization structure, environment and performance: The role of strategic choice. Sociology, 6:1-22, 1972.

Clark, B.R.: The academic life-small worlds, different worlds. Educational Researcher 18:4-8, 1989

Clott, C.B: Predictors of organizational effectiveness in schools of business. Unpublished doctoral dissertation. University of Illinois at Chicago, Chicago, IL 1994

Davis, S. & Schwartz, H.: Matching Corporate Culture and Business Strategy. Concept Paper Series, Cambridge, Ma., Management Analysis Center, 1981.

Deal, T.E. & Kennedy, A.A.: Corporate Cultures. Reading, Ma., Addison-Wesley, 1982.

Denison, D.R. & Spreitzer, G.M.: Organizational culture and organizational development. In: Research in Organizational Change and Development, 5: 1-21. JAI Press Inc., 1991.

Doty, D.H., Glick, W.H., Huber, G.P.: Fit, equifinality, and organizational effectiveness: A test of two configurational theories. Academy of Management Journal, 36:1196-1250, 1993

Hambrick, D.C.: Some tests of the effectiveness and functional attributes of Miles and Snow's strategic types. Academy of Management Journal. 26:2-26, 1983.

Hatten, K.J.: Quantitative research methods in strategic management. In: Strategic Management, eds., D.E. Schendel & C.W. Hofer, Boston, Little Brown, 1979.

Hugsatd, P.S.: The Business School in the 1980's. New York, Praeger Publishers, 1983.

Jung, C.G. Psychological Types. London:Routledge & Kegan Paul, 1923.

Katz, D. & Kahn, R.L.: The Social Psychology of Organizations, 2nd ed. New York, Wiley, 1978.

Miles, R.H., Cameron, K.S., Coffin Nails and Corporate Strategies. Englewood Cliffs, N.J., Prentice-Hall, 1982.

Miles, R.E., & Snow, C.E.: Organizational Strategy, Structure, and Process. New York, McGraw-Hill Book Co., 1978.

Ouchi, W.G.: Markets, bureaucracies, and clans. Administrative Science Quarterly. 25:129-141, 1980.

Ouchi, W.G.: Theory Z: How American Business Can Meet the Japanese Challenge. Reading Ma., Addison-Wesley, 1981.

BEST COPY AVAILABLE

Parsons, T.: The Social System. New York, Free Press, 1951.

Peters, T. & Waterman, R.: In Search of Excellence. New York, Harper & Row, 1982.

Pettigrew, A.M.: On studying organizational cultures. Administrative Science Quarterly. 24:570-581, 1979.

Quinn, R.E. Beyond Rational Management. San Francisco: Jossey-Bass, 1990.

Quinn, R.E., Rohrbaugh, J.: A spatial model of effectiveness criteria: Towards a competing values approach to organizational analysis. Management Science 29:363-377, 1983

Schein, E.H.: Organizational Culture and Leadership. San Francisco, Jossey-Bass, 1985.

Schein, E.H.: Organizational Culture and Leadership: San Francisco, Jossey-Bass, 2nd Ed. 1992.

Shein, E. H. Culture: The missing concept in organization studies. Administrative Science Quarterly, 41:229-240, 1996.

Snow, C.C. & Hrebiniak, L.G.: Strategy, distinctive competence, and organizational performance. Administrative Science Quarterly. 25: 317-336, 1980.

Swidler, A.: Culture in action. American Sociological Review. 51: 273-287, 1986.

Tichy, N.M.: Managing Strategic Change. New York, John Wiley & Sons, 1983.

Wilkins, A.L. & Ouchi, W.G.: Efficient cultures: Exploring the relationship between culture and organizational performance. Administrative Science Quarterly, 28:468-481, 1983.

Zammuto, R.F. & Krakower, J.Y.: Quantitative and qualitative studies of organizational culture. In: Research in Organizational Change and Development. V. 5, pp. 83-114, JAI Press Inc., 1991.

BEST COPY AVAILABLE

Table 1 Variables

Independent Variables	Definition	Coefficient Alpha
Organizational Culture		
Clan	Emphasizes shared values and goals, participitativeness, sense of family.	0.72
Market	Emphasizes competitiveness, goal accomplishment and production, consumer oriented.	0.68
Hierarchy	Emphasizes rules and regulations, clear lines of authority, efficient and directive.	0.67
Managerial Strategy		
Active	Innovative, continually developing, willing to break precidents.	0.79
Passive	Insular, unable to strategize for the future, infrequent change, no focused method to evaluate change.	0.70

Dependent Variables	Definition	Coefficient Alpha
Student Educational Satisfaction (SES)	The extent of student satisfaction with the educational response.	0.71 (3 items)
Ability to Acquire Resources (RES)	The extent to which the institution acquires resources from the external environment including finances, high quality students and faculty, research support, and political legitimacy.	0.72 (5 items)
System Openness and Community Interaction (OPE)	The emphasis placed on the interaction with, adaptation to, and service in the institution's external environment.	0.70 (4 items)
Student Career Development (SCD)	The extent of occupation or vocational development of students and the opportunities for occupational development provided by the institution.	0.61 (3 items)
Faculty Employment Satisfaction (FAS)	The satisfaction of faculty members with their employment and jobs at the institution.	0.62 (3 items)
Professional Development and Quality of Faculty (PDF)	The extent of professional attainment and development of the faculty, and the amount of stimulation toward professional development provided by the institution.	0.81 (4 items)
Organizational Health (OH)	The extent of smooth functioning of the institution in terms of its processes and operations, including the benevolence and vitality of the institution.	0.76 (4 items)

BEST COPY AVAILABLE

Table 2 **Effectiveness Scale Score by Culture Type**

	Clan	Market	Hierarchy
Professional Development and Quality of Faculty	19.55	20.45	18.81
Organizational Health	20.48	19.47	20.24
Ability to Acquire Resources	17.48	18.85	16.94
System Openness and Community Interaction	16.95*	13.18	14.63
Student Educational Satisfaction	13.57*	11.81	12.52
Student Career Development	16.34	16.49	15.74
Faculty and Administrator Employment Satisfaction	15.21*	12.56	14.13

*$p<0.05$

Table 3 **Effectiveness Scale Score by Managerial Strategy**

	Active	Passive
Professional Development and Quality of Faculty	20.32	18.89
Organizational Health	21.84*	18.29
Ability to Acquire Resources	19.12*	16.40
System Openness and Community Interaction	16.35	13.49
Student Educational Satisfaction	13.22*	12.05
Student Career Development	16.76*	15.61
Faculty and Administrator Employment Satisfaction	15.36*	12.56

*$p<0.05$